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CENTRAL INTELLIGENCE AGENCY
Office of Current Intelligence
31 July 1963

CURRENT INTELLIGENCE MEMORANDUM (Supplement)

SUBJECT: Significant Developments in the Latin American Countries on the Counterinsurgency Critical List.

Bolivia

1. Mine-by-mine sympathy strikes called in protest of government reform measures have been suspended since 26 July in order for the miners to convene an "extraordinary" union congress beginning on 29 July to decide on future policy. Also on 29 July, the miners attacked the stronghold of a progovernment peasant leader near the key mine area of Catavi, which may indicate that they intend to step up their militancy against the government, and that the crisis may be coming to a head.

2. The miners' congress was held in Oruro, a mining center near Catavi. About 5,000 miners reportedly took part in the accompanying rally in which numerous anti-US and antigovernment signs were prominently displayed. Three Communist union leaders reportedly made fiery speeches along the same lines. The congress ostensibly was called to "study" the government's mine reform proposals, but its actual purpose may have been to lay plans for the miners to step up their campaign of resistance to the government's program.

3. The 29 July attack reportedly resulted in the death of a proregime peasant leader, and the capture of a large cache of arms. The miners also gained control of a radio station over which they have since been broadcasting antigovernment propaganda. The national peasant organization, which is loyal to President Victor Paz Estenssoro

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NND 011188
DOC: #82
Page 1 of 2

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and has hitherto been responsive to his direction, has threatened to take matters into its own hands unless the government apprehends the "criminals" in ten days.

4. The government probably would prefer to restore order to the area by utilizing the peasant militia rather than the army, in order to avoid the charge of using repressive pressures against the miners. Nevertheless, if conditions continue to grow worse, President Paz may be forced to declare limited martial law or a state of siege in the area, and send in national police or possibly the army.

-2-

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NND 011188
DOC: #82
Page 2 of 2